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SALES FINANCE COMPANIES

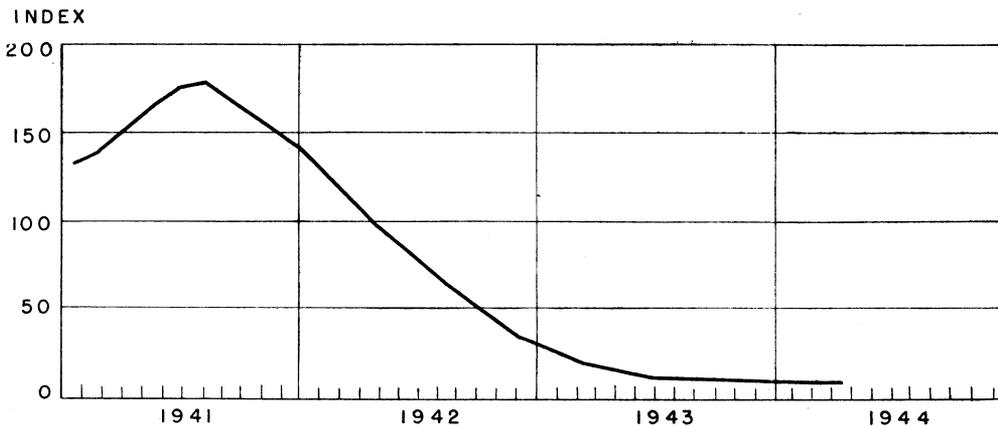
APRIL 1944

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Sales finance companies reported almost no change in the number of new passenger cars financed in April 1944 compared with those of the preceding month, while the dollar volume of paper acquired in this type of financing decreased slightly (2%), according to an announcement released today by J. C. Capt, Director of the Census. A small (3%) decrease in the number of used passenger cars financed was reported, along with a dollar volume almost equal to that of March this year. Forty-six percent more new commercial vehicles were financed in April than in March this year, but the value of this paper was 10 percent less than that recorded in March. The number of used commercial vehicles was down 5 percent and the dollar volume of such paper was off 15 percent. Data contained in this report are based on a sample survey conducted by the Bureau of the Census.

The volume of retail automotive outstandings held by sales finance companies on April 30, 1944 increased slightly (2%), but the index remained at 13.

OUTSTANDING BALANCES
RETAIL AUTOMOTIVE FINANCING
DECEMBER 31, 1939 = 100



Of the wholesale automotive paper acquired by sales finance companies during April 1944, the volume for new passenger and commercial cars was 84 percent higher than that reported for March 1944, and the volume for used passenger and commercial cars increased slightly (3%). The volume of outstanding balances for this type of paper showed a small (2%) increase over that held at the end of March 1944.

For April 1944 compared with March 1944, in retail diversified financing, refrigerators and household appliances registered a gain of 44 percent in paper acquired; residential building repairs and modernization gained 4 percent; while furniture, radios, and musical instruments dropped back 5 percent. The financing of industrial, commercial, and farm equipment increased 26 percent, but paper acquired for the wholesale lines (other than automotive) was 8 percent short of the volume reported in March 1944.

Compared with March 31, 1944, outstanding balances held by sales finance companies at the end of April 1944 were increased 4 percent in volume for industrial, commercial, and farm equipment, but were down 4 percent for retail—other consumers' goods and 5 percent for wholesale—other than automotive. Based on the index which is carried each month in this report as table 1, total outstanding balances for all sales financing in April 1944 was 45 percent less than outstandings at the end of April a year ago and 86 percent less than the total for April 1942.

Paper acquired during April 1944 was 31 percent of the outstanding balances as of April 30, 1944 for wholesale automotive, 19 percent for wholesale—other than automotive, 18 percent for retail automotive, 11 percent for industrial, commercial, and farm equipment, and 9 percent for retail—other consumers' goods.

These data on the current trends of sales financing during April 1944 were based on reports from 197 sales finance companies, and the dollar volumes should not be assumed to represent the total amount of financing by all sales finance companies in the United States. The data are published as reported, without adjustments for seasonal or price fluctuations. The figures presented in tables 4, 5, and 6 of this release are not comparable to those published for previous months, since monthly reports have not been received each month from identical sales finance companies. All indexes for April were obtained by calculating the percent changes from March 1944 to April 1944 as shown by data on reports for both months from the same sales finance companies, and by linking these percentages to the indexes previously derived for March 1944.

SALES FINANCE COMPANIES

Table 1.--Automotive and Diversified Financing
Index of Trends in Outstanding Balances by Class of Paper a/
December 31, 1939 = 100

Date	Total all sales financing	Retail automotive	Wholesale automotive	Wholesale other than automotive	Retail other consumers' goods	Industrial, commercial, and farm equipment
1939 - Dec. 31.....	100	100	100	100	100	100
1940 - Dec. 31.....	136	132	169	140	129	131
1941 - Dec. 31.....	152	149	175	250	148	147
1942 - Dec. 31.....	53	37	112	40	76	61
1943 - Apr. 30.....	33	20	81	24	52	49
- May 31.....	30	18	70	12	47	46
- June 30.....	27	16	63	11	44	44
- July 31.....	25	15	59	10	40	41
- Aug. 31.....	23	15	52	8	38	39
- Sept. 30.....	22	14	47	8	36	36
- Oct. 31.....	21	14	45	7	34	33
- Nov. 30.....	20	14	42	7	32	35
- Dec. 31.....	20	13	40	8	30	27
1944 - Jan. 31.....	19	13	38	10	29	26
- Feb. 29.....	18	13	37	10	27	31
- Mar. 31.....	18	13	37	12	26	30
- Apr. 30.....	18	13	37	11	25	31

a/ Indexes as of December 31 for the years of 1939, 1940, and 1941 are based on figures reported by sales finance companies on a supplementary report form which accompanied the regular monthly report form for January 1942. Succeeding indexes are derived by calculating the percent changes of the outstanding balances reported by sales finance companies for each month from those reported by the same companies for the preceding month, and by linking these percentages to the indexes for the preceding month.

Table 2.--Relative Importance of Loans Made by Sales Finance Companies, April 1944
Volume of Paper Acquired During the Month and Outstanding Balances at the End of the Month

Class of paper	Paper acquired during month		Outstanding balances, end of month	
	Amount	Percent of total	Amount	Percent of total
Total, all classes of paper a/.....	\$68,826,241	100	\$225,338,143	100
Total loans.....	37,956,881	55	72,214,087	32
Small (personal) loans.....	5,001,777	7	27,003,340	12
Business loans.....	32,955,104	48	45,210,747	20
Total sales financing a/.....	30,869,360	45	153,124,056	68

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a/ Included in this classification are only those firms which, in addition to their sales financing operations, reported loan activities.

Table 3.—Automotive and Diversified Financing
Index of Trends, 1943-1944 a/
January 1942 = 100

Item	1943										1944			
	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	April	
RETAIL AUTOMOTIVE														
Total number of cars financed.....	36	35	34	33	34	33	29	28	28	23	26	32	31	
Total volume of paper acquired.....	40	39	38	36	39	37	33	32	32	28	31	38	38	
New passenger cars.....														
Number.....	33	30	23	19	18	11	11	8	6	8	6	6	6	
Paper acquired...	39	36	28	23	22	14	13	10	8	10	8	9	8	
New commercial cars.....														
Number.....	14	11	13	9	9	25	20	17	5	8	12	7	10	
Paper acquired...	15	12	15	9	11	18	13	12	8	9	12	13	11	
Used passenger cars.....														
Number.....	37	36	37	35	38	36	31	31	32	26	29	36	35	
Paper acquired...	41	40	42	41	44	44	38	38	38	33	38	47	47	
Used commercial cars.....														
Number.....	22	21	10	13	13	6	14	9	10	8	8	10	9	
Paper acquired...	35	33	18	20	22	12	27	19	27	16	18	19	17	
WHOLESALE AUTOMOTIVE (Paper acquired)														
Total volume of paper acquired.....	9	7	9	10	9	9	10	9	9	11	12	15	17	
New cars (passenger and commercial).....	6	4	4	3	4	3	3	2	2	4	3	3	6	
Used cars (passenger and commercial).....	32	22	33	47	37	39	50	50	46	50	64	77	79	
DIVERSIFIED FINANCING (Paper acquired)														
Total diversified financing.....	24	29	31	28	30	33	30	41	32	30	34	27	29	
Total retail, other consumers' goods.....	30	38	42	39	42	47	41	49	42	37	36	34	35	
Furniture, radios, musical instruments.....	27	31	33	28	28	23	27	24	26	30	21	21	20	
Refrigerators and other household appliances.....	18	22	26	15	14	12	12	15	9	16	9	11	16	
Residential building repair and modernization.....	48	54	77	81	89	94	92	115	100	69	73	74	77	
Miscellaneous retail.....	67	101	87	78	86	125	75	94	75	80	88	64	65	
Total wholesale, except automotive.....	5	5	3	2	2	2	2	2	2	7	4	4	3	
Industrial, commercial, and farm equipment.....	41	38	37	22	28	27	38	157	54	54	194	70	89	

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a/ Indexes are derived by calculating the percent changes in the number of cars financed or the volume of paper acquired by sales finance companies during each month from the number of cars financed or the volume of paper acquired by the same companies during the preceding month, and by linking these percentages to the indexes for the preceding month. The indexes for "Total retail automotive," "Total wholesale automotive," and "Total retail, other consumers' goods" are based on all figures reported for these items regardless of whether or not breakdowns could be supplied.

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Table 4.—Automotive and Diversified Financing
Volume of Paper Acquired During April 1944 and Balances Outstanding April 30, 1944

Class of paper	Volume of paper acquired during April 1944		Outstanding balances April 30, 1944 a/	Ratio paper acquired to outstanding balances b/
	By all companies	By companies reporting outstanding balances a/		
Total retail automotive.....	\$20,089,252	\$19,694,237	\$108,088,072	18
Total wholesale automotive.....	18,796,089	18,707,926	60,458,470	31
Total wholesale - other than automotive.....	153,883	116,483	605,860	19
Total retail - other consumers' goods.....	3,991,023	3,929,967	45,088,427	9
Industrial, commercial, and farm equipment....	<u>615,008</u>	<u>611,260</u>	<u>5,668,026</u>	<u>11</u>
Total sales financing.....	\$43,645,255	\$43,059,873	\$219,908,855	20

a/ Data are based on figures from sales finance companies able to report both their paper acquired and their outstanding balances.

b/ Ratios obtained by dividing paper acquired (column 2) by outstanding balances (column 3).

Table 5.—Automotive Financing
Number of Cars Financed and Volume of Paper Acquired During April 1944

Class of paper	Number of cars		Paper acquired	
	Number	Percent of total	Dollar volume	Percent of total
Total retail automotive.....	<u>37,216</u>	<u>100</u>	<u>\$19,788,954 a/</u>	<u>100</u>
New passenger cars.....	783	2	766,795	4
New commercial cars.....	227	1	576,916	3
Used passenger cars.....	35,620	95	18,084,892	91
Used commercial cars.....	586	2	360,351	2
Total wholesale automotive.....	<u>21,260</u>	<u>100</u>	<u>\$16,261,345 a/</u>	<u>100</u>
New cars (passenger and commercial).....	7,269	34	5,434,556	33
Used cars (passenger and commercial).....	13,991	66	10,826,789	67

a/ Data are based on reports from sales finance companies providing a breakdown of their retail and wholesale automotive financing. These amounts are less than those reported in table 4 due to the exclusion of some data for which breakdowns were not available.

Table 6.—Diversified Financing
Volume of Paper Acquired During April 1944

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture, radios, pianos, and other musical instruments..	\$637,592	13
Refrigerators and other household appliances.....	220,694	5
Residential building repair and modernization.....	2,114,124	45
Miscellaneous retail.....	<u>993,358</u>	<u>21</u>
Total retail - other consumers' goods.....	\$3,965,768	84
Total wholesale - other than automotive.....	153,883	3
Industrial, commercial, and farm equipment.....	<u>615,008</u>	<u>13</u>
Total diversified financing.....	\$4,734,659	100

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a/ Data are based on reports from sales finance companies providing a breakdown of their retail financing of other consumers' goods. This amount is less than that reported in table 4 due to the exclusion of some data for which breakdowns were not available.